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RESEARCH ARTICLE

CAPABILITY BUILDING USING COMPETENCY DEVELOPMENT FRAMEWORK IN A RECRUITING FIRM.

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Abstract

In today's tempestuous business environment with stiff competition and emerging trends, every organization strives to gain competitive advantage, by recruiting the right people at the right time. With this fact in mind, the researcher has focused on the study conducted in a recruitment firm to understand the prevalence of competency development frameworks to enhance capability building within the firm. The urge of acquiring the best talent, has prompted organizations to outsource their recruitment function, giving rise to the recruitment industry which provides the best solutions at the right time and right cost. As stated in The People Matters this industry is growing by 21 per cent each year, leading to an exponential increase in the competition. Thus, acquiring the best fit for the recruitment firms is essential. The concept of acquire, retain and develop is as prevalent in the recruitment industry as it is in any other sector/line of business which demands to have the right HR policies in place. While these firms recruit for their clients, the competition within the recruitment industry compels these firms to ideate and innovate to maintain the competitive edge. The paper also recommends a few techniques to improve the existing competency assessment and development practices. The recommendations have been put forth with an aim to help improvise on the existing processes of the recruitment firm.

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Introduction: -

The recruitment industry as quoted in info.shine.com is growing by 21 per cent each year, constituting the largest segment in terms the number of players and the size of the market. While it drives numerous changes in the industry of HR within India, the sheer size of this industry with 20,000 players as stated in People Matters Online, poses a large competition to acquire the best talent in every organization. Thus, giving rise to a war of talent within the recruitment industry. The recruitment firms have started hiring the best talent for themselves helping them gain a competitive edge in this segment. There are many challenges posed by the new market environment building in, thus they need to expand their basket of competent capabilities to remain in the competition.

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One such recruitment firm a global market leader in the recruitment industry provides tailor-made solutions to their clientele. With its presence in nearly 30 countries, it has an employee strength of 1,000. A study was conducted within this organization to understand the various competency assessment and development techniques to help acquire and retain the right fit. The capability building taken into consideration for the study was more to do with people than the organization itself. The two areas identified were competencies required to perform the job and the competency development framework in place to help assess those competencies. This firm has its presence in the major cities of India, with a varied workforce composition.

Objectives: -

1. To identify the competencies possessed by the employees of a specific business vertical
2. To classify the competencies obtained using the available competency frameworks
3. Propose capability building techniques to enhance the existing assessment and development techniques

Methodology: -

The researcher has conducted an exploratory research utilizing both primary and secondary data. Primary data was obtained by interviewing the employees and HR managers of the firm. Secondary data was provided in the form of company policy book and handbook including the current practices in the firm. Stratified sampling has been utilized to classify the employees into small groups based on their locations. A pilot study was conducted to gather information on employee job responsibilities and areas of expertise at Level - Six. Sample size considered was 50 with the group size of 10, the grouping criterion was location. Data was collected using a questionnaire which comprised of multiple choice and open ended questions. The data obtained was analyzed using Microsoft Excel.

Discussion: -

Per Garavan & McGuire (2001) competency to be a set of attributes that an employee utilizes to perform the assigned tasks. The best way to select and develop high performers is by creating a suitable competency development framework as stated by Sandberg (2000). The organization studied uses competency framework developed in-house by experts which covers various competencies divided in different levels namely: *Basic, Intermediate, Proficient, Advanced, Expert*. This framework is implemented in the hiring process which helps the recruiters align these employees under the above-mentioned categories. Such a classification not only helps the organization find the right fit for the right job, but also helps them maintain an inventory of competencies available within the organization. As brought out by Boon (2000). The functions of competencies can be defined under three perspectives: competencies as individual characteristics; competencies as organization and competencies as a tool of communication between the labor market & education. This paper encompasses only the first two of the three perspectives mentioned.

Competencies as a function of Individual Characteristics:-

These are defined as the competencies which are related to the characteristics of an individual. The central view is to assess and emphasize the trainability of a competency thereby predicting the possible contributions of workplace learning activities to the development of competencies. This is supported by other studies conducted by Eraut (1994), Fletcher (1992). These were also known as worker related competencies as per Garavan & McGuire (2001). The recruitment firm studied follows a step by step process to identify the competencies through an interview method. This organization utilizes various techniques to identify worker related competencies from the pre-defined set encompassed in its competency development framework.

Note: The below mentioned table is utilized both during the recruitment process and 6 months' post selection into the organization

Table 1: - Methods utilized by the organization to identify competencies of an individual.

Method	Process	Effectiveness
Direct Observation	<ul style="list-style-type: none"> The employees are requested to perform certain tasks Observers take note of the tasks being performed which forms the basis of competencies 	<ul style="list-style-type: none"> Comparatively cheap to implement & less time consuming Gives a clear picture through the noticeable actions Ineffective for mental assessment Subjective in nature
Critical Incident Method	<ul style="list-style-type: none"> Involves defining the differences between an average performer and a high performer Employees are requested to describe critical job incidents The same process is repeated multiple times Expected outcomes involve the behavior displayed and outcome 	<ul style="list-style-type: none"> Capability to capture unusual behavior Would require an extensive data collection process Requires thorough knowledge of the position Ability to identify the type of behavior exhibited

Competencies as characteristics of the organization: Competitiveness of any organization is determined by the core competencies it possesses as mentioned in the research by Prahalad & Hamel (1990). These competencies are always firm specific and should be difficult to imitate as stated by Cappelli & Singh (1992) in their research. The recruitment firm utilizes the following to identify what is also known as work related competencies as per Training Standards Agency (2000)

Note: The below mentioned table is utilized both during the recruitment process and 6 months' post selection into the organization

Table 2: - Methods utilized by the organization to identify job specific competencies.

Method	Process	Effectiveness
Expert Panel	<ul style="list-style-type: none"> Panel of senior leaders & in—house experts The panel observes the employees performing a series of tasks, thus identifying a list of competencies which are relevant to the job Identify the competencies that require priority development and activities to be performed/assigned 	<ul style="list-style-type: none"> Gives credibility within organization but may not be the benchmark within the industry Deciding on who should be a part of the panel for the process Suitable for large organizations All competencies may not be covered.
Job Competency Assessment Method	<ul style="list-style-type: none"> A team is constituted to identify the Knowledge and skills required Interviews are conducted to identify the qualities of high performers Data obtained is used to modify the competency model 	<ul style="list-style-type: none"> Helps identify the job requirements for individual jobs Overlooks personal attributes Time-consuming process

The organization classifies the list of competencies obtained by using table 1 and 2 into three categories. These are: *Price of Admission, Competitive Edge and Differentiator*. This competency development framework is used while hiring candidates for their organization. There is no competency model being utilized in India by this firm to assess and develop the competencies and right fit for the job later than 6 months of joining. At the middle and senior level, the employee competencies are assessed and development using a competency model which has been stated to be more of a Psychometric assessment.

A series of interviews were conducted to understand how aware are the employees with the competency development framework/model in practice. They were interviewed to collect information on job profile, types of competencies and non-negotiable skills required to perform their daily tasks.

- a. **Job Profile:** The employees were aware of the job description before they were hired/promoted. The job profile provided by the organization clearly states the tasks that need to be performed and skillsets required by the candidate.
- b. **Core Competencies:** As informed by the internal HR the employees were informed of the competencies required to perform the tasks via the job description. The interview results were collated around the existing competency framework.

Table 3: -Work related competencies derived from employee responses.

Delivery Related	Interpersonal	Strategic
Analytical Thinking	Client Focus	Developing Talent
Achievement Focus	Diplomatic Sensitivity	Organizational Alignment
Drafting Skills	Influencing	Strategic Networking
Flexibility	Negotiating	Strategic Thinking
Managing Resources	Organizational Knowledge	
Team & Team Leadership		

The researcher has utilized the OECD Competency Framework to classify core competencies such that it can be utilized to assess and develop competencies of employees at the level six. This model can be utilized in tandem with the available competency development framework for the middle and senior level employees. Additionally, the interviewees were questioned on the non-negotiable skills required to perform the tasks at work. To illustrate the findings, 10 responses have been displayed below.

Table 4:-Non-negotiable skills required to perform the tasks.

Sno	Name	Location	Level	Technical Knowledge	Convincing Skills	Negotiation skills	Communication Skills	Networking	Quality	Analytical Skills	Awareness
1	A	XX	1								
2	B	YY	1								
3	C	ZZ	1								
4	D	XX	1								
5	E	XX	1								
6	F	YY	1								
7	G	ZZ	1								
8	H	ZZ	1								
9	I	XX	1								
10	J	YY	1								
				1st Priority							
				2nd Priority							
				3rd Priority							

The top four non-negotiable skills were: *technical knowledge, communication skills, convincing skills, negotiations skills*. The core competencies and non-negotiable skills are defined based on the nature of the job (function-specific). The nature of the job is defined by the business of the organization. The employees were provided eight parameters to assess the nature of the job for level six. The illustration of the results obtained have been shown below using 10 responses.

Table 5: -Nature of the Job at Level – 6.

SNO	NAME	LOCATION	LEVEL	Analysis of Data	Competitiveness	Customer Orientation	Frequent Changes	Frequent Interaction with others	Organized Workplace	Urgency	Versatility
1	A	XX	1								
2	B	YY	1								
3	C	ZZ	1								
4	D	XX	1								
5	E	XX	1								
6	F	YY	1								
7	G	ZZ	1								
8	H	ZZ	1								
9	I	XX	1								
10	J	YY	1								

Table 5 illustrates that customer orientation is of utmost importance in level six which is tandem with what the organization stands for. As per the findings, to remain customer oriented, the work and worker related competencies need to be identified in tandem with the nature of the job and organization.

Recommendations: -

The recommendations provided to the recruitment firm were in alignment to the finding and analysis. At the junior level, the organization does not have any formal competency model to assess performance and develop competencies on a continuous basis. It was suggested that conducting personality assessment tests on a regular basis in tandem with the OECD Competency Framework can help the organization assess the right fit for the job. The suggested personality tests along with their comparative analysis are as follows:

Table 6:-Comparative analysis of the suggested personality tests.

Parameters	Meyers-Briggs Personality Test	Birkman Method
<i>Level of Application</i>	<ul style="list-style-type: none"> • Junior Level • Campus Recruitment Drives 	<ul style="list-style-type: none"> • Junior Level • Campus Recruitment Drives
<i>Areas of Application</i>	<ul style="list-style-type: none"> • Leadership Development • Team Building • Career Selection • Screening & Interviewing employees • Personal Development 	<ul style="list-style-type: none"> • Leadership Development • Career Exploration • Team Building • Talent Selection • Sales & Negotiation
<i>Measures of the method</i>	<ul style="list-style-type: none"> • MBTI Type at work • Personality & Careers • Type use in profession • Cognitive Learning Styles • Psychological types & Learning • Type in Personal Growth 	<ul style="list-style-type: none"> • Interests: Activities that motivate you in your personal and professional life • Usual Behaviour: The productive and effective behavioural style for relationships and tasks • Underlying Needs: How you expect to be treated by others and how you need to be as per your surroundings • Stress Behaviour: The unproductive and ineffective behavioural styles when individual needs are unmet • Career Data: 22 Job Families and 200+ Unique job titles
<i>Features</i>	<ul style="list-style-type: none"> • Tailor – made 	<ul style="list-style-type: none"> • Online assessment • 298 questions (48 multiple-choice questions, 250 true-false type) • 30 Minutes (Average time) • Results available upon completion • Questionnaire available in 20 languages
<i>Types of Reports Generated</i>	<ul style="list-style-type: none"> • Best type Fit • Personality Assessment 	<ul style="list-style-type: none"> • Career Management Report • Difference/Issues to Look for • Interpersonal Needs Summary • Strengths and Needs graph

The researcher also recommended to implement an Individual Development Plan famously known as an IDP to understand the needs of an employee and align them with the organization goals. This will help the firm plan for its

future talent requirements and utilize the available talent in-house for senior positions. Also, the firm must conduct workshops for employees to help them understand the utility and importance of the competency development framework/personality assessments in their professional career. This can be done by delivering training and development in a competency context; have employees prepare an individual development plan to assess their strengths, weakness and training requirements to improve the same; provide competency feedback to enhance the performance of the employees at Level Six. The analysis of how would the organization benefit from an individual development plan is as follows:

Table 7:- Analysis of an Individual Development Plan.

<i>Level of Application</i>	<ul style="list-style-type: none"> • Junior Level • Middle Level • Senior Level
<i>Features</i>	<ul style="list-style-type: none"> • SWOT Analysis • Setting goals • Personal Objectives • Job Analysis
<i>Measures of the method</i>	<ul style="list-style-type: none"> • Strengths/Weaknesses • Gap Analysis • Long term & Short term goals • In-depth analysis of the job from employee perspective • Short term blocks
<i>Procedure to create an IDP</i>	<ul style="list-style-type: none"> • Employee must be provided an SOP to create an IDP • Train the Manager in reviewing an IDP • Employee must create his/her IDP • Discuss with manager to align the IDP with business objectives • Manager should prepare a gap analysis report for the individual • Finalize the IDP and set a date for review

Conclusion: -

Through this paper, the importance of competency assessment and development at junior level have been discussed. To maintain the competitive edge, the firm must align its human capital with its vision and mission. This can be achieved by understanding the line of business and accordingly preparing the appropriate competency frameworks to identify critical competencies and develop it. It is thereby essential to implement such models/framework from the recruitment phase as per the cost feasibility. Personality assessments, prepared in-house must be continually implemented to enhance employee performance thus delivering the right solutions to their clients. These also involve giving autonomy to the employees in terms of charting their own career path within the organization. Aligning the competency framework with the right kind of training and development practices is the need of the hour. Lastly, measures to test the effectiveness of the system in place gives a quantitative perspective to an employee performance.

Limitations& scope for further study: -

The study has majorly focused on the competency development aspect to enhance the effectiveness of the employees. It does not touch upon the learning and development in the context of competencies.

Capability Building through competency development framework can be studied in context of succession planning, high potentials.

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